218377



# ELLIOTT & ELLIOTT, P.A.

# ATTORNEYS AT LAW

721 OLIVE STREET
COLUMBIA, SOUTH CAROLINA 29205
selliott@elliottlaw.us

SCOTT ELLIOTT

TELEPHONE (803) 771-0555 FACSIMILE (803) 771-8010

August 5, 2009

2009-332-C

VIA HAND DELIVERY

Charles L. A. Terreni, Esquire Chief Clerk and Administrator South Carolina Public Service Commission 101 Executive Center Drive Columbia, SC 29210

RE: Application of Tennessee Telephone, LLC d/b/a Freedom Communications Services,

LLC for Designation as an Eligible Telecommunications Carrier

Docket No.:

Dear Mr. Terreni:

Enclosed please find for filing an original and fifteen (15) copies of the Application of Tennessee Telephone, LLC d/b/a Freedom Communications Services, LLC for Designation as an Eligible Telecommunications Carrier. By copy of this letter, I am serving the Office of Regulatory Staff.

I have enclosed an extra copy of this application which I would ask you to date stamp and return to me via my courier. If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me. Thank you.

Sincerely,

Elliott & Elliott, P.A

Scott Elliott

SE/jcl Enclosures

cc: C. Dukes Scott, Esquire w/enc. Lance J.M. Steinhart, Esquire

# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF SOUTH CAROLINA

IN RE: APPLICATION OF	)
TENNESSEE TELEPHONE SERVICE, LLC	)
D/B/A FREEDOM COMMUNICATIONS	)
USA LLC FOR DESIGNATION	)
AS AN ELIGIBLE TELECOMMUNICATION	S)
CARRIER	)

DOCKET NO. 2009

# APPLICATION FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER

Tennessee Telephone Service, LLC d/b/a Freedom Communications USA, LLC ("Tennessee Telephone" or the "Applicant"), pursuant to Section 214(e)(2) of the Communications Act of 1934, as amended (the "Act")1 and Sections 54.101 through 54.207 of the Rules of the Federal Communications Commission ("FCC"),2 and the rules and regulations of the South Carolina Public Service Commission (the "Commission"), hereby applies to the Commission for designation as an Eligible Telecommunications Carrier ("ETC") throughout the BellSouth Telecommunications, Inc. d/b/a AT&T South Carolina ("AT&T") service territory (the "Designated Service Area") for the purpose of receiving federal universal service support. A list of each wire center for which the Applicant is requesting ETC status in the State of South Carolina is attached hereto as Exhibit 1. The Applicant is seeking only low income support, and is not requesting high cost support. As demonstrated below, Tennessee Telephone satisfies all of the statutory and regulatory requirements for designation as an ETC in the Designated Service Area. Furthermore, designation of Tennessee Telephone as an ETC in the Designated Service

<sup>47</sup> U.S.C. § 214(e)(2).

<sup>47</sup> C.F.R. §§ 54.101-54.207.

Area will serve the public interest. Accordingly, Tennessee Telephone respectfully requests that the Commission grant this Application.

All correspondence, communications, pleadings, notices, orders and decisions relating to this Application should be addressed to:

Lance J.M. Steinhart
Lance J.M. Steinhart, P.C.
Attorney for Applicant
1720 Windward Concourse, Suite 115
Alpharetta, Georgia 30005
(770) 232-9200 (Phone)
(770) 232-9208 (Fax)
E-Mail: <a href="mailto:lsteinhart@telecomcounsel.com">lsteinhart@telecomcounsel.com</a>

With a copy to:

Applicant's local counsel:

Scott Elliott, Esq.
Elliott & Elliott, P.A.
721 Olive Street
Columbia, SC 29205
(803) 771-0555 (Phone)
(803) 771-8010 (Fax)
E-Mail: selliott@elliottlaw.us

# I. Background

Applicant's Articles of Organization is on file with the Commission and incorporated herein by reference. The Applicant was granted a Certificate of Public Convenience and Necessity to Provide Competitive Local Exchange Telecommunications Services within the State of South Carolina Pursuant to Order No. 2004-567 issued in Docket No. 2004-211-C on November 15, 2004. The principal office of the Applicant is located at 220 Creekside Drive, Dickson, Tennessee 37035. The telephone number of the Applicant is (615) 446-2010. The Applicant's web site is www.freecomusa.com. The Applicant will provide local exchange and exchange access services in the Designated Service Area using a combination of resale and unbundled network elements ("UNE"), or UNE equivalents, obtained through agreements that allow end-to-end switching and delivery of calls.

Tennessee Telephone was incorporated in the State of Tennessee on February 8, 2000

- 2. As set forth in Section 214(e)(2) of the Act, the Commission "shall upon its own motion or upon request designate a common carrier that meets the requirements of [Section 214(e)(1)] as an eligible telecommunications carrier for a service area designated by the State commission." Upon designation as an ETC, the carrier shall be eligible to receive universal support in accordance with Section 254 of the Act.<sup>5</sup>
- 3. The requirements for designation as an ETC set forth in Section 214(e)(1) are that the carrier must:
  - (A) offer the services that are supported by Federal universal support mechanisms under section 254(c), either using its own facilities or a combination of its own facilities and resale of another carrier's services (including the services offered by another eligible telecommunications carrier); and
  - (B) advertise the availability of such services and the charges therefore using the media of general distribution.<sup>6</sup>

# II. Tennessee Telephone Satisfies the Requirements for Designation as an ETC to Serve the Designated Service Area

- 4. Tennessee Telephone is a common carrier as that term is defined in the Act.<sup>7</sup> The Applicant provides competitive local telecommunications services in the Designated Service Area pursuant to Order No. 2004-567 issued in Docket No. 2004-211-C referenced above.
- 5. Tennessee Telephone will offer all of the supported services enumerated under Section 254(c) using facilities obtained as UNEs, or the equivalents thereof. According to FCC Rules, facilities obtained as UNEs satisfy the requirement that an ETC provide the supported services using either its own facilities or a combination of its own facilities and resale of another

<sup>47</sup> U.S.C. § 214(e)(2); see 47 C.F.R. § 54.201(b) (FCC Rules citing the Act's requirements).

<sup>&</sup>lt;sup>5</sup> 47 U.S.C. § 214(e)(1).

<sup>6</sup> *Id*.

See 47 U.S.C. § 153(10) ("the term 'common carrier' or 'carrier' means any person engaged as a common carrier for hire, in interstate or foreign communication by wire or radio or in interstate or foreign radio transmission of energy).

carrier's services.<sup>8</sup> Accordingly, the Applicant satisfies the requirement set forth in Section 214(e)(1)(A).

- 6. The services that are supported by Federal universal support mechanisms under section 254(c) are enumerated in the rules of the Federal Communications Commission ("FCC") at 47 C.F.R. § 54.101(a)(1)-(9). These services are:
  - a) Voice grade access to the public switched network. "Voice grade access" is defined as a functionality that enables a user of telecommunications services to transmit voice communications, including signaling the network that the caller wishes to place a call, and to receive voice communications, including receiving a signal indicating there is an incoming call. For the purposes of this part, bandwidth for voice grade access should be, at a minimum, 300 to 3,000 Hertz. Applicant meets this requirement by providing voice-grade access to the public switched telephone network. Through its agreements with AT&T, all customers of Applicant are able to make and receive calls on the public switched telephone network within the specified bandwidth;
    - b) Local usage. "Local usage" means an amount of minutes of use of exchange service, prescribed by the FCC, provided free of charge to end users. Applicant includes specified quantities of usage in its rate plans and thereby

Section 54.201(f) of the FCC's Rules states, "[f]or the purposes of this section, the term 'own facilities' includes, but is not limited to, facilities obtained as unbundled network elements pursuant to Part 51 of this chapter, provided that such facilities meet the definition of the term 'facilities' under this subpart." 47 C.F.R. § 54.201(f). The term "facilities" under Section 54.201 is defined as " any physical components of the telecommunications network that are used in the transmission or routing of the services that are designated for support pursuant to subpart B of this part." 47 C.F.R. § 54.201(e). Applicant's use of UNEs, including § 251 loops, or equivalents thereof, commingled with § 271 elements provided pursuant to an agreement filed with the Commission pursuant to § 252, meets this definition of "facilities."

complies with the requirement. It is important to note, that currently, there is no specific rule that requires an ETC to include any particular amount of local usage;

- c) Dual tone multi-frequency signaling or its functional equivalent. "Dual tone multi-frequency" (DTMF) is a method of signaling that facilitates the transportation of signaling through the network, shortening call set-up time. Through its agreements with AT&T, Applicant provides DTMF signaling to its customers, which is the equivalent of that offered by the incumbent LECs to its customers;
- d) Single-party service or its functional equivalent. "Single-party service" is telecommunications service that permits users to have exclusive use of a wireline subscriber loop or access line for each call placed, or, in the case of wireless telecommunications carriers, which use spectrum shared among users to provide service, a dedicated message path for the length of a user's particular transmission. Applicant meets the requirement of single-party service by providing a dedicated message path for the length of all customer calls;
- e) Access to emergency services. "Access to emergency services" includes access to services, such as 911 and enhanced 911, provided by local governments or other public safety organizations. 911 is defined as a service that permits a telecommunications user, by dialing the three-digit code "911," to call emergency services through a Public Service Access Point (PSAP) operated by the local government. "Enhanced 911" is defined as 911 service that includes the ability to provide automatic numbering information (ANI), which enables the PSAP to call back if the call is disconnected, and automatic location information

(ALI), which permits emergency service providers to identify the geographic location of the calling party. "Access to emergency services" includes access to 911 and enhanced 911 services to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems. Through its agreements with AT&T, Applicant currently provides its subscribers access to 911 emergency services, and also provides Enhanced 911 services including Phase I and Phase II E911 services where requested by local public safety authorities ready to receive the information and where the local exchange carrier supports such services;

- f) Access to operator services. "Access to operator services" is defined as access to any automatic or live assistance to a consumer to arrange for billing or completion, or both, of a telephone call. Operator services are offered by Applicant;
  - g) Access to interexchange service. "Access to interexchange service" is defined as the use of the loop, as well as that portion of the switch that is paid for by the end user, or the functional equivalent of these network elements in the case of a wireless carrier, necessary to access an interexchange carrier's network. Applicant provides long distance access to its customers;
  - h) Access to directory assistance. "Access to directory assistance" is defined as access to a service that includes, but is not limited to, making available to customers, upon request, information contained in directory listings. Applicant provides access to directory assistance to its customers; and

- i) Toll limitation for qualifying low-income consumers. Toll limitation for qualifying low-income consumers is linked to participation in the Lifeline program, which Applicant will participate in and offer upon designation as an ETC. Applicant will use the appropriate toll limitation technology to provide this required service at no additional charge to Lifeline customers.
- Upon designation as an ETC, Tennessee Telephone will participate in, and offer, 7. LifeLine and Link-Up programs to qualifying low-income consumers and publicize the availability of Lifeline and Link-Up services in a manner reasonably designed to reach those likely to qualify for those services, as required by FCC Rules.9 The FCC has concluded that even pure resellers may qualify as an ETC and properly use universal service support for the purposes for which it was intended by offering reduced price Lifeline service. 10
- Tennessee Telephone will advertise the availability of the above-referenced 8. services and the charges for those services in the Designated Service Area using media of general distribution, as required by FCC Rules. 11

#### Area for Which ETC Designation Is Requested III.

Tennessee Telephone has served and will continue to serve the exchanges where 9. it leases UNEs or resells the services of the non-rural telephone companies in the Designated Service Area. Tennessee Telephone does not seek designation as an ETC in any areas served by rural telephone companies.

11 See 47 C.F.R. §§ 54.201(d)(2).

See 47 C.F.R. §§ 54.401-54.417; 54.405(b)& 54.411(d)...

See Federal-State Joint Board on Universal Service, Petition of Tracfone Wireless, Inc. 20 FCC Rcd 15095 10 (2005) (finding that because Lifeline support is customer-specific and is directly reflected in the price that the eligible customer pays, it is impossible for any carrier to receive a double recovery of the support).

# IV. Granting Tennessee Telephone's Application Will Serve the Public Interest

10. Congress requires that the Commission grant competitive ETC applications in non-rural areas. <sup>12</sup> No specific public interest test is mentioned, as is the case for areas served by rural telephone companies. <sup>13</sup> Thus, the Act provides that the Commission "shall" designate Tennessee Telephone as an ETC upon finding that the company meets the nine-point list of services and that it agrees to advertise the supported services throughout the Designated Service Area. Notwithstanding, the designation of Tennessee Telephone as an ETC will serve the public interest.

11. A central purpose of the Telecommunications Act of 1996 was to "promote competition and reduce regulation ... [thereby securing] lower prices and higher quality services". <sup>14</sup> Designation of Tennessee Telephone as an ETC would further these goals. Granting ETC status to Tennessee Telephone would allow the Applicant to obtain federal universal service support, which it will use to offer telecommunications services at competitive prices to consumers in the Designated Service Area.

12. Tennessee Telephone will announce and advertise telecommunications services as an ETC where it provides service in its Designated Service Area in South Carolina and will publicize the availability of Lifeline and Link-Up services in a manner reasonably designed to reach those likely to qualify for those services. Accordingly, more low-income South Carolina residents will be made aware of the opportunities afforded to them under the Lifeline and Link-

The Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56, 56 (1996).

See 47 U.S.C. 214(e)(2).

See Id.

Up programs and will be able to take advantage of those opportunities by subscribing to Tennessee Telephone's service.

- 13. Tennessee Telephone will provide universal service as an ETC in all of its Designated Service Area.
- 14. Tennessee Telephone is willing to accept carrier of last resort obligations throughout the universal service areas in which Tennessee Telephone is designated as an ETC by the Commission.
- 15. Tennessee Telephone is aware that it may seek USF funding only with respect to those customers that it serves through the use of its own facilities (including unbundled network elements or equivalent facilities).
  - 16. Tennessee Telephone will provide equal access to interexchange service.
- describes with specificity proposed improvements or upgrades to the applicant's network on a wire center-by-wire center basis throughout its proposed Designated Service Area. The only circumstance warranting deviation from this requirement is where an applicant's requested ETC serving territory would qualify it to receive no "high cost" USF support, but only "low income" USF support. Because Tennessee Telephone seeks ETC designation solely for purposes of reimbursement for provision of subsidized Lifeline and Link-Up services to eligible customers, submission of a Five-Year Network Improvement Plan is not required at this time. Since Lifeline support is designed to reduce the monthly cost of telecommunications services for eligible consumers, and is distributed on a per-customer basis and is directly reflected in the price that the eligible customer pays, it is assured that all support received by the carrier is used

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to provide Lifeline services to consumers, thus promoting Lifeline and the availability of telephone service to low income users, which is clearly in the public interest.

- 18. Applicant offers a local usage plan which includes unlimited local calling as set forth in its tariff, comparable to the one offered by AT&T in the Designated Service Area.
- 19. Under FCC guidelines, an ETC Applicant must demonstrate that it will satisfy applicable consumer protection and service quality standards. 47 CFR §54.202(a)(3); see In the Matter of Federal-State Joint Board on Universal Service, Report and Order, CC Dkt. No. 96-45, 20 FCC Rcd 6371, para. 28 (2005) (FCC ETC Order). As part of its certification requirements for providing local exchange services, Applicant will abide and satisfy all such service quality and consumer protection rules under 103-690 C(a)(1)(C)(3), including filing quality of service reports with the Commission. In addition, Applicant commits to reporting information on consumer complaints per 1,000 lines on an annual basis consistent with the FCC ETC Order. Applicant in general commits to satisfying all such applicable state and federal requirements related to consumer protection and service quality standards.
- 20. Under FCC guidelines, an ETC Applicant must demonstrate its ability to remain functional in emergency situations. 47 CFR §54.202(a)(2); see FCC ETC Order at para. 25.

Applicant provides to its customers the same ability to remain functional in emergency situations as currently provided by AT&T to its own customers, including access to a reasonable amount of back-up power, rerouting of traffic around damaged facilities, and the capability of managing traffic spikes resulting from emergency situations.

21. Under FCC guidelines, an ETC Applicant must commit to provide service throughout its proposed designated service area to all customers making a reasonable request for service. FCC ETC Order at Para 22; 47 CFR §54.202(a)(1)(i). Applicant commits to provide

service throughout its proposed ETC-designated service area to all customers making a reasonable request for service.

22. By this application, Applicant hereby asserts its willingness and ability to comply with all the rules and regulations that the Commission may lawfully impose upon Applicant's provision of service contemplated by this application.

Applicant has requested ETC designation in wire centers located throughout the service area of AT&T, a non-rural carrier. Additionally, Applicant has limited its requested USF support to the federal USF low income support program. Applicant certifies that all low income USF funding it receives will be used to provide a credit to its Lifeline and Link-up eligible customers, consistent with 47 CFR 54.403.

Applicant agrees to include in its quarterly Service Quality Report the number and justification of applications held for more than 30 days and the number and justification of applications that were denied. Tennessee Telephone will only seek direct low income support from the Federal Universal Service Fund for those lines provided through the use of its own facilities or through a combination of its own facilities and the leased facilities of another carrier. Applicant also agrees to report quarterly the percentage of consumers offered Lifeline via resale versus commercial agreements.

Applicant agrees to utilize the same qualifying criteria for Lifeline and Link-up as is offered in the AT&T territory (eligibility for TANF, Food Stamps, and Medicaid).

Applicant agrees to provide Lifeline customers an additional \$3.50 credit in order that the federal matching monies can be maximized. This will yield a Lifeline credit of \$13.50 per month which is consistent with the credit offered throughout AT&T service area.

Applicant agrees that it will abide by all advertising and reporting and verification requirements established by the FCC and Commission.

Should Applicant seek designation as an ETC for high cost support, Applicant will file an additional and separate application with the Commission that addresses all applicable state and federal laws, rules and regulations, including, but not limited to, an appropriate build-out plan that includes the use of its own facilities in addition to those obtained through commercial agreements to provide services to un-served areas.

The Applicant's two-year plan that describes the carrier's plans for advertising and outreach programs for identifying, qualifying and enrolling eligible participants in the Lifeline and Link Up programs is attached as Exhibit 2. The Applicants lifeline tariff revisions are attached hereto as Exhibit 3.

Applicant shall comply with all applicable state and federal laws, rules, and regulations regarding ETC designation and reporting requirements.

Applicant's certification to comply with 26 S.C. Code Regs. 103-690 C (a)(1) is attached as Exhibit 4.

23. Applicant has been designated as an ETC in the State of Alabama, and has applications pending for ETC status in states of Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina and Tennessee. No state has denied any ETC petition filed by Applicant, nor have any such petitions been withdrawn. Applicant is currently authorized to provide local exchange and interexchange service in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee and Texas. No such applications have been denied.

#### V. Relief Requested

For the foregoing reasons, Tennessee Telephone respectfully requests that the Commission grant its application and designate the Applicant as an ETC for the Designated Service Area.

Respectfully submitted this 22 day of Viry, 2009.

By:

Lange J.M. Steinhart, Esq.

Lance J.M. Steinhart, P.C. 1720 Windward Concourse, Suite 115

Alpharetta, Georgia 30005

(770) 232-9200 (Phone)

(770) 232-9208 (Fax)

lsteinhart@telecomcounsel.com (E-mail)

and

By:

Scott Elliott, Esq.

Elliott & Elliott, P.A.

721 Olive Street

Columbia, SC 29205

(803) 771-0555 (Phone)

(803) 771-8010 (Fax)

selliott@elliottlaw.us (E-mail)

Its Attorneys

# Exhibit 1

## Wire Centers

Company BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL SCHLSCESRS1 BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL

CLVRSCESRS1 BMBRSCMARS1 SPFDSCMARS1 JHTNSCMARS1 **BAVLSCMARS1 EOVRSCMARS1** CLMASCSA773 AIKNSCMAXMD PRSRSCMARS1 **NWBYSCMA27E** CMDNSCLGRS1 ORBGSCMA53E **BRWLSCBERS1** ALDLSCMARS1 BATHSCMARS1 BTBGSCMA53E EDFDSCMARS1 AIKNSCMA64E **NWELSCMARS1 GIVLSCMARS1** YORKSCMA68F WHTMSCMARS1 CMDNSCMA43F CLMASCPARS1 CLMASCSCRS1 CLMASCDF78E **CLMASCSH77E** CLMASCAR75E CLMASCSU78E DNMKSCESRS1 WCLMSCMARS1 LKWLSCRSRS1 CLMASCCH78E BHISSCMARS1 CLMASCSA77E **HCGVSCMARS1** SHRNSCMARS1 CLMASCBQRS1 CLMASCSW79E CHAPSCCLRS1 NAGSSCMA27E CLMASCSCRS2 GSTANCSO85G CLMASCSN25E CLMASCSN79F **RWLDNCMARS0 GBSNNCMARS0** TMVLSCMARS1 MARNSCBNRS1

Switch

BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL

DRTNSCMA39F CHTNSCBE5MD MARNSCMA42E BEVLSCMA47E MCCLSCMARS1 MLNSSCWP46E **BLNHSCMARS1** CHTNSCJN55E CLIOSCMARS1 FLBHSCMARS1 STGRSCMARS1 LATTSCLSRS1 LKVWSCMARS1 CHTNSCWA85E CHTNSCJM79E **DLLNSCMA77E** CHTNSCWA55E HTVLSCMA33E CHTNSCDP82E SBRKSCSKRS1 EDBHSCMARS1 SUVLSCMA87E ISPLSCISRS1 CHRWSCES53E CHTNSCLB55E MNPLSCES88F CHTNSCDT72E CHTNSCNO74F FLRNSCMA66F **GNVLSCWPRS1** ARSNSCTVRS1 ARSNSCAHRS1 BETNSCMA33E HNPHSCMARS1 GNVLSCBE24E GNVLSCCR27E CWPNSCMARS1 **UNINSCMA42E** PCLTSCMARS1 LYMNSCIP433 SPBGSCHW50E SPBGSCCV57E FNVLSCMARS1 SPBGSCWV57E **GNVLSCWE26E GNVLSCCH24E** CENTSCWSRS1 PNTNSCMARS1 WMNSSCESRS1 JNVLSCMARS1 JONNSCESRS1 WLHLSCESRS1

BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL BELLSOUTH TELECOMM INC DBA SOUTHERN BELL TEL & TEL

SPBGSCBS57E TRRSSCMARS1 MRTTSCMARS1 **BLBGSCMARS1** LBRTSCMA84E PDMTSCESRS1 CLSNSCMA65E ESLYSCMA85E FNINSCES86F SXMLSCMARS1 PCKNSCES87E **GFNYSCMA48F GRVRNCMARS0** CLTNSCMA83E SALMSCMARS1 WMTNSCPW84F SPBGSCMA57E LYMNSCES43E ARSNSCMA22F TKNASCSTRS1 **GNVLSCDT23F BLRGSCMARS1** SENCSCMA88E **GNVLSCWR28F** GRERSCMA87F

# Exhibit 2

Lifeline and Link Up Advertising and Outreach Plan

### LIFELINE AND LINK UP

# ADVERTISING AND OUTREACH PLAN

Of

# TENNESSEE TELEPHONE SERVICE, LLC D/B/A FREEDOM COMMUNICATIONS USA, LLC

FOR THE

STATE OF SOUTH CAROLINA

# TENNESSEE TELEPHONE SERVICE, LLC D/B/A FREEDOM COMMUNICATIONS USA, LLC

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### **SUMMARY**

Tennessee Telephone Service, LLC d/b/a Freedom Communications USA, LLC has developed this Advertising Plan (the "Plan") in compliance with Chapter 103-690 of the South Carolina Code of Regulations (Unannotated), which requires carriers who are "seeking ETC designation for the purposes of participation in the Lifeline and Link Up programs" to "submit a two-year plan that describes the carrier's plans for advertising and outreach programs for identifying, qualifying, and enrolling eligible participants in the lifeline and Link Up programs". In accordance with state and federal requirements, Tennessee Telephone will "Publicize the availability of Lifeline service in a manner reasonable designed to reach those likely to qualify for the service".

Implementation of the Company's Advertising Plan will commence upon designation as an Eligible Telecommunications Carrier ("ETC") and will continue for a term no less than twenty-four (24) months from the date that the approval order becomes effective.

## **BACKGROUND**

Tennessee Telephone Service, LLC d/b/a Freedom Communications USA, LLC ("Tennessee Telephone", the "Company") is an Tennessee Limited Liability Company of and is authorized to conduct business as a foreign Limited Liability Company in the State of South Carolina. Tennessee Telephone was granted a Certificate of Public Convenience and Necessity to Provide Competitive Local Exchange Telecommunications Services within the State of South Carolina Pursuant to Order No. 2004-567 issued in Docket No. 2004-211-C on November 15, 2004. The Company's principle office is located at 220 Creekside Drive, Dickson, Tennessee 37035.

Tennessee Telephone provides local exchange and exchange access service in the AT&T exchanges of South Carolina using a combination of resale and unbundled network elements (UNEs) or unbundled network element equivalents obtained through agreements with the underlying carrier. These agreements allow the Company to provide end-to-end switching and delivery of calls.

# ADVERTISING AND OUTREACH PLAN

The Advertising and Outreach Plan of the Company is structured to promote maximum visibility of the Lifeline and Link Up programs throughout the State of South Carolina. Tennessee Telephone will use advertising mediums that have a proven track record of effectively identifying, informing, and educating current and potential subscribers of the Lifeline and Link Up programs thereby increasing consumer awareness and the overall penetration of Lifeline and Link Up subscribership in South Carolina. The Company will begin implementation of its Advertising and Outreach Plan throughout the AT&T exchanges in the State of South Carolina upon designation as an ETC, which will continue for a period of no less than 24 months.

<sup>15</sup> CFR 47 § 54.405(b)

Tennessee Telephone was incorporated in the State of Tennessee on February 8, 2000.

#### I. Advertising and Outreach to Existing Customer Base

Upon designation as an Eligible Telecommunications Carrier ("ETC") in the State of South Carolina, Tennessee Telephone will implement its Advertising Plan by contacting the Company's existing customer base.

This goal of this phase of the Advertising Plan will be two-fold. The first goal is to inform existing customers not only of the availability of Lifeline and Link Up, but also of the savings that eligible consumers can anticipate.

The second goal is to educate customers as to the eligibility requirements for participation in the Lifeline and Link Up programs.

To accomplish these goals, Tennessee Telephone will utilize USACs Consumer Outreach Lifeline and Link Up letter, a copy of this which is included with this Plan and is labeled as Attachment 1. A copy of this notification will be included by the Company as a billing insert. Approximately 30 days after the billing insert has been sent, Tennessee Telephone will send a stand-alone notice of the same, via U.S. mail, to each active non-responding customer.

Approximately 60 days after the billing insert has been sent, the Company's customer service representatives will begin contacting customers who have not responded to either mailing in an effort to make the existence of and the eligibility requirements for this vital low-income program known.

Tennessee Telephone anticipates that the expected implementation period for this phase of the Company's Advertising Plan to will take approximately three (3) months.

#### II. Advertising and Outreach to New Customers

#### A. Governmental Agencies

Tennessee Telephone will coordinate its outreach efforts with and provide advertising materials to governmental agencies and other organizations that administer relevant governmental assistance programs and cater to those likely to qualify for support. Currently, the Company's advertising plans call for it to coordinate advertising and outreach efforts with organizations such as:

Social Service Agencies Community Centers Local Counsel on Aging Centers United Way AARP Implementation of this phase will begin upon completion of the Company's Outreach to its existing customer base and will be ongoing in nature. Tennessee Telephone expects that it will take approximately twelve (12) months to make outreach materials fully available throughout the designated service area.

#### B. Print Media

Tennessee Telephone will begin print advertising using a media of general distribution. Specifically, the Company will begin by advertising the availability of Lifeline and Link Up in the designated area through free publications such as the Dollar Saver and Thrifty Nickel. These publications, and others like it, are available without cost or subscription requirements and are widely distributed throughout the State of South Carolina. As such, Tennessee Telephone believes that this form of advertisement to not only be effective but is consistent with the requirements of §54.405 and 54.411, which require ETCs to publicize the availability of Lifeline and Link Up service in a manner reasonable designed to reach those likely to qualify for the support.

Implementation will begin upon completion of the Company's Governmental Outreach campaign and will take approximately six (6) months to fully implement in all of the designated service area. Once in place, Tennessee Telephone will continue its print media advertisement on an ongoing basis.

#### C. Broadcast Media

Tennessee Telephone will implement a brisk and consistent broadcast advertising campaign throughout South Carolina. Implementation of this phase of the Company's advertising and outreach campaign will commence with advertising on broadcast TV stations in lieu of cable TV due to the lack of low-income viewership.

Current broadcast plans call for the Company to begin advertising on broadcast TV stations throughout the State of South Carolina. In addition, the Company will specifically target stations with affiliate TV and Radio stations.

Implementation will begin upon completion of the Company's Print Media Campaign. Tennessee Telephone anticipates that it will take approximately six (6) months to fully implement its Broadcast Outreach in all of the designated service area. Like the Company's print media campaign, Tennessee Telephone anticipates that its broadcast advertising campaign will continue unabated.

### III. Qualification and Enrollment

Lifeline is a program that provides eligible consumers with a monthly recurring discount, off of the rate for basic local exchange service, of up to \$13.50.

Link Up provides eligible consumers with a 50%, up to \$30.00, off of the cost associated with connecting local exchange service.

Consumers are eligible for Lifeline and Link Up support if they participate in one of the following State approved needs-based programs:

- Food Stamps
- Medicaid
- Family Independence (TANF)

Tennessee Telephone has developed a compliance manual, which provides detailed information of the specific requirements for eligibility in Lifeline and Link Up on a state-by-state basis.

All advertising and outreach materials will direct consumers to call Tennessee Telephone at toll free (877) 739-9900. The Company's customer service representatives will assist consumers to determine if they are eligible for Lifeline and Link up benefits. When a customer is deemed eligible, representatives will send, by fax, email, or U.S. mail, a copy of the Company's self-certification form. This form allows customers to self-certify, under penalty of perjury, that they meet the need-based eligibility requirements of the State. In addition, Tennessee Telephone requires all customers to provide documentation of proof of eligibility, which can be in the form of a copy of the customers Medicaid card, Food Stamp card, or certification from the appropriate State Department. Eligible customer accounts will be enrolled in Lifeline and applicable Lifeline and Link Up credits will be provided after proof of eligibility has been received by the Company.

## IV. Verification of Continued Eligibility

The FCC has recommended that all states, including federal default states, be required to establish procedures to verify a consumers' continued eligibility in the Lifeline program under Program Based Eligibility criteria, which could include, but would not necessarily be limited to, random beneficiary audits, periodic submission of documents, or annual self-certification. However, to date, no clear-cut method of verification has been established. For example, in some states, the ETC is responsible for verifying the consumer's continued eligibility, while other states require their state agencies to devise procedures for eligibility

verification. Still another state establishes eligibility verification procedures that involve state agency and carrier participation.

As such, Tennessee Telephone has elected to follow the FCC's recommendation that ETCs be required to verify annually the continued eligibility of a statistically valid sample of their Lifeline subscribers. Under this program, ETCs are free to verify directly with a state that particular subscribers continue to be eligible by virtue of participation in a qualifying program. Alternatively, to the extent ETCs cannot obtain the necessary information from the state, they may survey the subscriber directly and provide the results of the sample to USAC.

Subscribers who are subject to this form of verification and who qualify under Program Based Eligibility criteria must prove their continued eligibility by presenting in person or sending a copy of their Medicaid card or other Lifeline-qualifying public assistance card and self-certifying, under penalty of perjury, that they continue to participate in the Lifeline-qualifying public assistance program.

# Exhibit 3 Lifeline Tariff Revisions

ORIGINAL PAGE
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(N)

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#### 3.7 <u>Lifeline Program</u>

#### A. General

- (i) The Lifeline program is designed to increase the availability of telecommunications services to low income subscribers by providing a credit to monthly recurring local service for qualifying residential subscribers. Basic terms and conditions are in compliance with the FCC's Order on Universal Service in CC Docket No. 97-157, which adopts the Federal-State Joint Board's recommendation in CC Docket No. 96-45, which complies with the Telecommunications Act of 1996. Specific terms and conditions are as prescribed by the South Carolina Public Service Commission and are as set forth in this tariff.
- (ii) Lifeline is supported by the federal universal service support mechanism.
- (iii) Federal baseline support of eight dollars and twenty-five cents (\$8.25) is available for each Lifeline service and is passed through to the subscriber. An additional three dollars and fifty cents (\$3.50) credit is provided by the Company. Supplemental federal support of one dollar and seventy-five cents (\$1.75), matching one half of the Company contribution, will also be passed along to the Lifeline subscriber. The total Lifeline credit available to an eligible customer in South Carolina is thirteen dollars and fifty cents (\$13.50). The amount of credit will not exceed the charge for local service, which includes the access line, the Subscriber Line Charge and local usage.

#### B. Regulations

- (i) General
  - (a) Customers eligible under the Lifeline program are also eligible for connection assistance under the Link-Up program.
  - (b) One low income credit is available per household and is applicable to the primary residential connection only. The named subscriber must be a current recipient of any of the low income assistance programs identified in Section B(ii)(a) following.
  - (c) A Lifeline customer may subscribe to any local service offering available to other residential customers. Since the Lifeline credit is applicable to the primary residential connection only, it may not be applied to multiple lines in a package for local service.
  - (d) Toll blocking, if elected, will be provided at no charge to the Lifeline subscriber.
  - (e) No deposit will be required of a Lifeline customer who subscribes to toll blocking. If a Lifeline customer removes toll blocking prior to establishing an acceptable credit history, a deposit may be required. When applicable, advance payments will not exceed the connection and local service charges for one month.
  - (f) Neither the Federal Universal Service Charge nor the South Carolina Intrastate Universal Service Surcharge will be billed to Lifeline customers.

Issued:	Effective:

#### 3.7 <u>Lifeline Program (Cont'd.)</u>

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- B. Regulations (Cont'd.)
  - (i) General (Cont'd.)
    - (g) A Lifeline subscriber's local service will not be disconnected for non-payment of regulated toll charges. Local service may be denied for non-payment of local calls in accordance with Section 2. Access to toll service may be denied for non-payment of regulated tolls. A Lifeline subscriber's request for reconnection of local service will not be denied if the service was previously denied for non-payment of toll charges.
    - (h) At no time shall a customer's Lifeline rate go below zero.
  - (ii) Eligibility
    - (a) To be eligible for a Lifeline credit, a customer must be a current recipient of any one of the following low income assistance programs.
      - 1. Temporary Assistance to Needy Families (TAW), previously known as AFDC.
      - 2. Food Stamps
      - 3. Medicaid
    - (b) All applications for service are subject to verification with the state agency responsible for administration of the qualifying program.

#### (iii) Certification

- (a) Proof of eligibility in any of the qualifying low income assistance programs should be provided to the Company within 30 days of application for service. The Lifeline credit will not be established until proof of eligibility has been received by the Company. When eligibility documentation is provided, the Lifeline credit will be provided on a going forward basis.
- (b) The Company reserves the right to periodically audit its records, working in conjunction with the appropriate state agencies, for the purpose of determining continuing eligibility. Information obtained during such audit will be treated as confidential information to the extent required under State and Federal laws. The use or disclosure of information concerning enrollees will be limited to purposes directly connected with the administration of the Lifeline plan.
- (c) When a customer is determined to be ineligible as a result of an audit, the Company will contact the customer. If the customer cannot provide eligibility documentation within 60 calendar days, the Lifeline credit will be discontinued.

Issued:	Effective:

#### 3.7 <u>Lifeline Program (Cont'd.)</u>

#### B. Regulations (Cont'd.)

#### (iv) General

- (a) Lifeline is provided as a monthly credit on the eligible residential subscriber's access line bill for local service.
- (b) Service Charges in Section 4 are applicable for installing or changing Lifeline service.
- (c) Link-Up connection assistance in Section 4 may be available for installing or relocating Lifeline service.
- (d) The Service Change Charge in Section 4 is not applicable when existing service is converted intact to Lifeline.
- (v) The total Lifeline credit consists of one federal credit plus one (1) Company credit
  - (a) Federal credit

Monthly Credit

- 1. Temporary Assistance to Needy Families \$10.00
- 2. Food Stamps \$10.00
- 3. Medicaid \$10.00
- (b) Company credit
  - 1. All programs, one per Lifeline service \$ 3.50

#### 3.8 <u>Link-Up South Carolina</u>

#### A. General

- (i) Link-Up is a program designed to increase the availability of telecommunications services to low income subscribers by providing a credit to the non-recurring installation and service charges to qualifying residential subscribers. Basic terms and conditions are in compliance with the FCC's Order on Universal Service in CC Docket 97-157, which adopts the Federal-State Joint Board's recommendation in CC Docket 96-45, which complies with the Telecommunications Act of 1996. Specific terms and conditions are as prescribed by the South Carolina Public Service Commission and are as set forth in this tariff.
- (ii) Link-Up is supported by the federal universal service support mechanism.
- (iii) A federal credit amount of fifty percent (50%) of the non-recurring charges for connection of service, up to a maximum of thirty dollars (\$30.00), is available to be passed through to the subscriber.

Issued:		Effective:
	220 Creekside Drive	
	Dickson, Tennessee 37035	

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#### 3.8 <u>Link-Up South Carolina (Cont'd.)</u>

#### B. Regulations

- (i) General
  - (a) Customers eligible under Link-Up are also eligible for monthly recurring assistance under the Lifeline program.
  - (b) Link-Up connection assistance is available per household and is applicable to the primary residential connection only.
  - (c) The Link-Up credit is available each time the customer installs or relocates the primary residential service.
  - (d) To receive the credit, proof of eligibility must be provided within 30 days after installation of service.
  - (e) The total tariffed charges for connecting service, including service and other installation charges, are considered in the credit calculation.

#### (ii) Eligibility

- (a) To be eligible for a Link-Up credit, the named subscriber must be a current recipient of any of the following low income assistance programs:
  - 1. Temporary Assistance to Needy Families (TANF), previously known as AFDC
  - 2. Food Stamps
  - 3. Medicaid
- (b) All applications for service are subject to verification with the state agency responsible for administration of the qualifying program.

#### (iii) Certification

- (a) Proof of eligibility in any of the qualifying low income assistance programs should be provided to the Company within 30 days of application for service. The Link-Up credit will not be established until proof of eligibility has been received by the Company.
- (b) The use or disclosure of information concerning enrollees will be limited to purposes directly connected with the administration of the Link-Up plan.

#### C. Rates and Charges

The federal credit available for a Link-Up connection is thirty dollars (\$30.00) maximum or fifty percent (50%) of the installation and service charges from this Tariff, whichever is less.

Issued:	200 G . I . I . D .	Effective:	_ (N)
	220 Creekside Drive		
	Dickson, Tennessee 37035		

Exhibit 4

Affidavit

#### **AFFIDAVIT**

STATE OF TENNESSEE	)
COUNTY OF DICKSON	) SS. )

- I, Matt Davis, being duly sworn upon oath, do hereby depose and state as follows:
- 1. My name is Matt Davis. I am employed by Tennessee Telephone Service, LLC d/b/a Freedom Communications USA, LLC ("Tennessee Telephone") as Chief Executive Officer. My business address is 220 Creekside Drive, Dickson, Tennessee 37035. I am authorized by Tennessee Telephone to make this Affidavit on its behalf, and it is given upon my personal knowledge. This Affidavit is given in support of the application to be designated as an Eligible Telecommunications Carrier.
- 2. On behalf of Tennessee Telephone, I declare the following:
  - (A) Tennessee Telephone will provide Lifeline and Link-up service in a timely manner throughout its designated service area upon reasonable request of an eligible consumer;
  - (B) Tennessee Telephone will offer the services that are supported by the federal universal service support mechanisms by using its own facilities or a combination of its own facilities and resale of another carrier's services;
  - (C) Tennessee Telephone will advertise in media of general distribution the availability of lifeline and link-up services and the applicable charges for such services.
  - (D) Tennessee Telephone will file a two -year advertising and outreach plan as required by the Commission promulgated rules prior to offering Life-Line and Link-up Services in the State of South Carolina.
  - (E) Tennessee Telephone acknowledges that the Federal Communications Commission may require it to provide equal access to long distance carriers in the event that no other eligible telecommunications carrier is providing equal access within the service area.

(F) Tennessee Telephone will provide service within a reasonable period of time, if the potential customer is within its licensed service area but outside its existing network coverage, if service can be provided at reasonable cost.

> Matt Davis, Chief Executive Officer of Tennessee Telephone Service, LLC d/b/a Freedom Communications USA, LLC

Subscribed and sworn to before me this 14 day of april , 2009.

Shirley 9. Punin
Notary Public

SC ETC App



# CERTIFICATE OF SERVICE

The undersigned employee of Elliott & Elliott, P.A. does hereby certify that she has served below listed parties with a copy of the pleading(s) indicated below by mailing a copy of same to them in the United States mail, by regular mail, with sufficient postage affixed thereto and return address clearly marked on the date indicated below:

RE: Application of Tennessee Telephone Service, LLC d/b/a

Freedom Communications USA, LLC for Designation as

an Eligible Telecommunications Carrier

DOCKET NO .:

PARTIES SERVED: C. Dukes Scott, Esquire

Office of Regulatory Staff

PO Box 11263

Columbia, SC 29211

PLEADING: APPLICATION

August 5, 2009

Jackie C. Livingston, Paralegal